【Thailand】

Survey on Challenges in the Transportation and Tourism Sector in the ASEAN-India Region in FY 2022

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1. Introduction

In the ASEAN-India region, rapid economic growth has led to advancements in transportation infrastructure and improved service levels for public transportation. However, there are also issues such as insufficient connectivity between modes of transportation and a lack of safety awareness in public transportation. Furthermore, the outbreak of the Covid19 pandemic has brought about new changes to passenger transport and freight transport throughout the world.

In these circumstances, we conducted a survey on challenges in the overall transportation and tourism sectors in 2022. We particularly focused on 5 countries in the ASEAN-India region, namely Vietnam, Philippines, Indonesia, Thailand, and India as a target of the research. We conducted interviews with experts, scholars, and other knowledgeable individuals in these target countries to understand and to categorize the causes of the local challenges in the transportation and tourism sectors, then to consider and arrange approach strategies to address them. As the research in tourism only started in 2022, we collected background information on the tourism field as well.

This report provides an overview of the background and challenges in the transportation and tourism sectors Thailand, and discusses potential directions for addressing these challenges.

2. The Current Situation and Challenges in the Transportation Sector

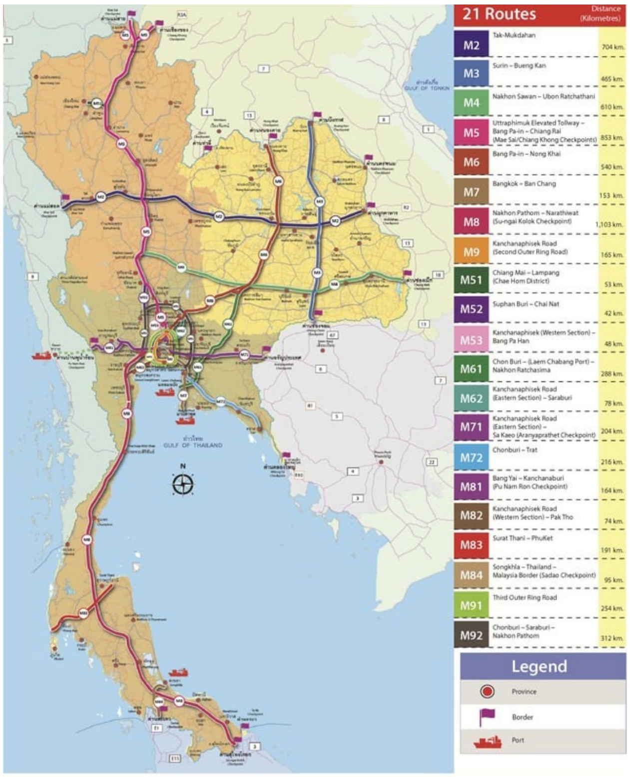
(1) The Current Status of Transportation Infrastructure

① Roads

According to the Ministry of Transport, the construction plan for 8 intercity expressways (motorways) will be implemented using PPP or infrastructure funds process. And according to the Department of Highways (DOH) who has responsibility for motorway development said that currently the eastern line M7 (Bangkok - Bang Chan) and the 2nd ring road line M9 (Kanchanapisek ring road) are in service. DOH is working on Bang Pa-In - Nakhon Ratchasima expressway (M6), Bang Yai - Kanchanaburi expressway (M81), Bang Khun Thiang - Ban Phaeo expressway (M82) as a flagship project and all of them are PPP tolled highways.

In additional, to minimize traffic congestion in front of toll gates, DOH has introduces automatic toll collecting system called "M-Flow" which allow you to pass through toll gate with speed 120km/h by the system will authenticate the number plate with AI camera with number plate and payment method that you have registered in advance.

Figure : Motorway Improvement Masterplan



Master Plan of the Intercity Motorways (2017-2036)

Source : Ministry of Energy, Thailand

② Railway

1) Development of advanced technologies such as electric locomotive

State Railway of Thailand (SRT) has set up the environmental goals in its 20-year management plan (2020 – 2040), by the first 5 years will be promoting rehabilitation and improving railway infrastructure that support SRT' s core business and from 2025 onwards will be focusing on reducing energy consumption and adapting transportation service which can reduce environmental impacts.

Thai' s government has policies to reduce environmental impacts while developing technologies and increasing local production and for SRT is to promote local production of common electric equipment for railways and considering development of new technologies such as electric locomotives.

In the action plan, to introduce future new technology vehicles, SRT has operates remodeling diesel locomotives to electric locomotives (4 cars), introducing electric locomotives (20 cars, mainly shunting locomotives within Bang Sue station), introducing distributed power train, electric-diesel hybrid train (400 cars)

Figure : Battery-powered train concept

Source : SRT

2) Bangkok urban railway fare standard

The ratio of Bangkok urban railway fare to the minimum wage is high comparing to Japan, South Korea, China, and the United States. Due to the operation and maintenance business are operated by private companies and separated into concession contracts and the inability to integrate fare system between different railway operators, the Bangkok government is trying to reduce the burden on citizens through fare subsidies and flat rate system.

The Thai Consumers Association of Thailand proposed that "the maximum fare should be set at 10% of the daily minimum wage" As well as consideration the proposal of reducing fare rate according to the "Formulation capacity improvement project Bangkok metropolitan urban railway new master plan (M-MAP2)" (JICA)

③ Ports and Harbors

1) Development and expansion of Bangkok port and Laem Chabang port

Port Authority of Thailand (PAT) is under the jurisdiction of the Ministry of Transportation of Thailand and is organized as an independent port management organization under the Port Authority Act. It is also managing domestic river ports – Chiang Saen port, Chiang Khong port and Ranong port – additional to Bangkok port and Laem Chabang port which are the main logistics ports makes total of 5 ports.

Bangkok port is located close to the city area in Bangkok that allows efficient land transport from port to marketplace. The port can handle around 13% (approx. 1.4million TEU) of Thailand's total cargo handling volume, but it still remains flat because there is limited storage capacity due to limited land area and the shallow water prevents large ships from entering the port. PAT is planned to develop container terminals (targe: 2.9 million TEU to 3.6 million TEU) and logistics warehouse in the future.

Laem Chabang port is already reached its capacity after 10 years after its opening in 1991 so, Phase II (C and D) was put into operation (6.8 million TEU/year), and Phase III (E and F) which currently under construction is planned to be able to handle for 7 million TEU/year, bringing the total port capacity to approx. 18 million TEU/year.

2) Decarbonization and green port initiatives

Based on government's "Mid to long-term lowering greenhouse gas emission development strategy (LT-LEDS)", the Ministry of Transport has formulated the "Plan for greenhouse gas reduction in transport sector 2021 - 2030" which aims to reduce greenhouse gas emission by 20% by 2030. In the environmental sector, PAT is developing measures based on this goal at each port and has established the "Green port plan" as an implementation plan. The 4 main measurements are as follows.

Measure1 : Transition to a low-carbon society using a BCG (Bio, Circular, Green) economic model……Introduction of solar power generation, collection of marine plastic trash, recycling conversion to HVs and EVs

Measure2 : Environmental conservation/Compliance with international environmental management standards……Compliance with ISO14045, environmental information system, introduction of ship waste management system, environmental measurement monitoring

Measure3:Building a transportation cooperation system to realize a green port……Modal shift from Bangkok Port to Laem Chabang Port (railway, sea), expressway connection to the vicinity of Bangkok Port

Measure4 : Cultivating environmental momentum and raising awareness in society……Planting coastal mangrove forests and monitoring environmental conservation with the participation of local residents

Regarding the modal shift project, efforts are underway to switch from truck transport to marine and rail transport between Bangkok Port and Laem Chabang Port. Securing a coastal container terminal within Bangkok Port has contributed to reducing CO2 emissions by reducing truck transport to and from Laem Chabang Port and by providing rail transport via Lat Krabang ICD (Inland Container Depot).

In addition, more than 90% of domestic cargo is transported by truck, and traffic congestion within Laem Chabang port has been an issue for a long time.

④Aviation

1) Streamlining airport operations

Congestion at Suvarnabhumi Airport has worsened because of the increasing number of passengers due to departure and arrival procedures and a shortage of taxis which have become a major issue. Although self-service check-in devices have been introduced since 2022, immigration inspections in particular have become a bottleneck, and cooperation with the Immigration Bureau is required.

In light of this situation, Airports Authority of Thailand (AOT) has announced that its management plan will strengthen the three areas of service, standards, and financial. It presents 7 strategies for the direction of management which includes strategic positioning of international airports, improve service capacity, changing to hub airports for both tourism and cargo, intelligent services using ICT, improve aviation service processes, expand profits by developing non-aeronautical services, diversify airport businesses.

2) U-Tapao Airport and surrounding development

Regarding to developing of U-Tapao Airport and its surrounding areas, a consortium of companies led by

Bangkok Airways has signed a contract with the Royal Thai Navy and has plan to develop and operate third passenger terminal and commercial facilities, and ground transportation center, aircraft maintenance, maintenance facilities, and aviation city.

Regarding to Aviation and Logistics, Thailand has the potential to be developed as a regional aircraft parts manufacturing and MRO (Maintenance, Repair, and Overhaul) center with ample land and many industrial estates nearby U-Tapao International Airport which will be a construction site of manufacturers that supplies aircraft parts to MRO has been mentioned as a candidate site for pilot area. As of February 2021, although there is no progress has been made in selecting a joint investment partner, the Thai Navy is proceeding with civil engineering work for MRO center.

⑤Logistics

In Thailand, disposable income is rising along with economic growth, and the population is also increasing steadily. The consumption of fresh foods and frozen food that demand temperature control is also increased resulting in the cold chain becoming a major issue.

Low-cost temperature control cannot provide sufficient services, resulting in health hazards and food waste during transportation. The importance of temperature control in the supply chain is not fully understood by general consumers, and for shippers, the use of high-quality cold chain logistics services is directly linked to increased logistics costs indeed.

At “Policy Dialogue on Logistic between Thailand and Japan” in January 2023, logistics issues in Thailand are being discussed. The Ministry of Land, Infrastructure, Transport and Tourism has introduced the significance of standardization of cold chain logistics services, an overview of related standards, the results of demonstration transport in Thailand, and other as well as the need for the formulation of cold chain logistics standards, including transportation and storage, and collaboration between related ministries and agencies. The Thai Ministry of Transport stated that collaboration among related ministries and agencies is necessary in order to formulate standards, and expressed expectations for Japan's cooperation.

(2) Challenges in Each Sector (See Table Below)

General	Road Sector	Aviation Sector
・The impact of Coronavirus pandemic on transportation sector (different impacts on passenger transport and cargo transport) ・Infrastructure management and development of management ・Imbalance of public work budget between metropolitan area and local cities ・Investment in local areas (promotion outside Bangkok and EEC) ・(As tourism based country) formation of tourism and local transportation ・Data sharing and open data	・ Promote the development of EV charging stations (jurisdiction is unclear, difficult to use in rural areas) ・Securing financial resources for intercity expressways (direct investment by the central government without going through the Toll Fund) ・ Competitiveness between intercity expressways and high-speed railways ・Building a hierarchical road network ・ Promotion of M-flow dissemination (improvement of vehicle registration system) ・ Improving connectivity with neighboring countries in the northern region (improving connectivity of logistics and people flow between Thailand-Myanmar, Thailand-Laos-China, etc.)	・Development of inland transshipment base (inland port)(planning and developing an inland transport base for shippers to supports the increasing in cargo volume after expanding the ports) ・Neglect of local areas in the logistics policy of the National Economic and Social Development Council (NESDC)(biased intentions of the central government such as the EEC) ・ Promotion of development of the Northern Economic Corridor (development of cross-border logistics with China and Myanmar) ・ Intermodal transportation between roads and railways ・ Improvement of logistics linkage in cross-border transportation (reduction of time required for customs clearance, etc. at cross-border areas) ・ Improving the efficiency of cross-border road transportation by introducing ICT (information registration management of drivers, vehicles, etc.) ・ Relaxation of cargo regulations in ASEAN countries

Port and Harbor Sector	Railway Sector	Logistics Sector
・Improving access to Laem Chabang Port (modal shift, increasing share of inland waterway transportation) ・Management of cargo handling time and port yard ・Reducing congestion by linking port and connecting road (strengthening coordination between the central government and local governments) ・ Creation of a port and nearby manufacturing industry and industrial estate ・ Draft the comprehensive and cross-sectional economic development plan (adjust the infrastructure that combines industry, tourism, and environment)	・Introduction of urban railway transfer and common fare system (involving revision of existing concession contract) ・TOD promotion through taxation of an area in front of the station ・ SRT reformation (pursuit of investment returns, privatization of premium goods) ・Improving the reliability and punctuality of rail freight transportation (double-tracking nationwide, connecting each base) ・Railway line development between Chiang Mai and surrounding cities (Den Chai, Chiang Rai, Chiang Khong) ・Supply chain with China including rail transportation	・Promoting the use of local airports ・ Preparing human resources for airport operations (issues with reinstatement of employees who left their jobs due to the Coronavirus pandemic) ・Competition between aviation and high-speed rail (varies by route) ・Demand for U-Tapao Airport, No progress of MRO consideration ・ Data sharing between airport operations (AOT) and airlines ・Public transportation access from local airports to the city (Chiang Mai Airport, Phuket Airport, etc.) ・Use of existing airport and development of Chiang Mai second airport

(3)Main Issues to be Considered Based on Expert Reviews

①Improving logistics connectivity at ports

As supply chains rapidly develop on a global scale, there is a need to shorten transportation times in the field of maritime transportation as well. Originally, attention has been focused on the time required for cargo handling, but in recent years, delays caused by severe congestion when trucks enter and exit terminals have become a major issue. At Laem Chabang Port, the following measures have been taken to prevent chronic congestion around the port due to the expansion of truck transportation.

- Improve yard storage capacity and cargo handling capacity by developing a semi-automatic terminal (D-berth)

- Improve gate processing capacity by adding more gates and developing a container truck waiting area
- Development of road transportation networks such as securing direct connection routes from port areas to expressways
- Utilization of feeder transport, etc. by developing container terminals exclusively for domestic feeders and increasing cargo handling equipment at railway cargo transshipment facilities
- Level out peak hours and shorten gate processing time by adjusting the entry and exit times of container vehicles using the "Truck Queue System"

②Improving transportation services in local areas

Although 60% of Chiang Mai's service industry is centered on tourism, transportation from the airport to the city center and within the city relies on taxis and shared transportation, and there is a need to improve the transportation infrastructure. Regarding LRT development, 4 feasibility studies have been carried out so far, but the implementation has not yet been achieved.

In Phuket, the service industry, centered on tourism, occupies a large proportion, but taxis and shared transportation are still the mainstream. On the other hand, Phuket is trying to break away from its dependence on tourism through education, marinas, medical care, etc.

Although there should be a public transportation system such as trains and buses of international standards to connect the airport to the city, it is difficult to develop such a system due to the narrow roads.

Additionally, one of the reasons for the lack of progress in public transportation development projects is that government infrastructure projects are overly concentrated in Bangkok and the EEC region. The governor (prefectural ordinance), the head of the local administrative body, is appointed by the central administrative body, and the mayor is directly elected by citizens. As a result, the budget authority given to the mayor is very small, and the central government effectively holds the authority to allocate the budget for public works projects, resulting in a situation where most of the budget is allocated to the Bangkok metropolitan area, where the population is massive.

③Cross border logistics

Thailand shares land borders with four countries: Myanmar, Laos, Cambodia, and Malaysia, and cross-border logistics plays a major role in trade with these countries. Due to a sharp rise in sea freight rates due to a shortage of containers from the late 2020s and significant delays in sea transport, the price difference with land transport has narrowed, making cross-border truck transport, with its short lead time, more attractive as an alternative transport route.

Particularly in 2021, in addition to the overall recovery in trade in Thailand, there was also a rapid recovery in logistics due to the reopening of border checkpoints, and increased interest in cross-border transportation from the perspective of diversifying transportation routes. As a result, border trade has grown significantly.

1) Cross-border resistance

There are various forms of cross-border resistance, including deficiencies in infrastructure such as the absence of bridges and insufficient road width, resistance due to systems such as complicated customs procedures, and customs costs. In addition, these do not only exist at border crossing points, but also have a wide range of effects, such as those that exist along the route and those that affect the entire country, such as mutual access of vehicles.

2) Cross-border transportation agreement

Bilateral agreements on cross-border transport systems have existed between countries in the Greater Mekong Sub-region (GMS) since the beginning, but multi-country agreements that can be used across the GMS region comprehensively cover issues related to cross-border transport of people and logistics. An agreement was needed. Based on this common understanding, consistency with international agreements was ensured as the Cross-Border Transport Agreement (CBTA). This eliminates the need for transshipment of cargo, which was necessary at some borders, reduces damage to cargo due to transshipment, and makes it possible to provide safe, high-quality services and shorten transportation times.

Although there are no major problems with road infrastructure, improving connectivity with neighboring countries is an issue, especially in the north. Problems such as improving intermodal transport between road and rail transport and improving logistics linkage in cross-border transport must be resolved.

On the other hand, it takes time to incorporate CBTA into each country's domestic laws, and the response capacity at customs clearance sites (customs clearance staff's understanding of CBTA content, customs clearance operations 24 hours a day, use of ICT in customs clearance procedures) Currently, the CBTA has not been fully implemented due to problems with the CBTA.

(4) Challenges in Thailand's transportation sector

〇Congestion and stagnation of cargo at ports and logistics nodes

Regarding the current state of congestion and stagnation at ports and inland cargo transportation facilities, which are the nodes between maritime transportation and inland transportation, the degree of congestion and traffic congestion must be investigated, and congestion measurement and connectivity evaluation methods must be studied. It is necessary to solve these issues.

〇Improving transportation access in local cities (Chiang Mai, Phuket, etc.)

Thailand is a tourism-oriented country, and the tourism industry accounts for a large proportion of GDP. Issues related to regional transportation have been pointed out in Chiang Mai and Phuket. Due to the combination of the low service level of existing public transportation and the low roadside maintenance such as walking environments and parking areas, public transportation is incompatible with the convenience of private cars. From a tourist perspective, access between the city and hubs such as the airport and train station are inconvenient, and transportation within the city relies on shared taxis (songthaews), which are no different from local transportation. For the sustainable development of Thailand's regional cities, it is necessary to consider tourism and regional transportation in these cities, including the use of ride-hailing and the planning and development of urban railways.

〇Cross-border logistics in the northern region

Regarding cross-border logistics in the northern region, it is necessary to conduct a detailed analysis of cross-border resistance such as natural conditions, infrastructure development level, traffic regulations, systems related to cross-border procedures, systems related to other countries and bilateral agreements, and development of domestic legal systems. It is necessary to consider ways to eliminate bottlenecks.

3. Basic Information on the Current Situation and Challenges in the Tourism Sector

(1) Basic Information on the Tourism Sector

①Outline

The number of international visitors to Thailand has increased significantly, approximately doubling from around 19 million in 2011 to about 40 million in 2019. Until 2015, the number overed around the 20 million mark, surpassed 30 million in 2016, and continued to increase steadily until 2019. As of 2019, the highest number of international visitors was from China, followed by Malaysia, India, South Korea, Laos, and Japan. In 2019, the spending by international visitors amounted to approximately 64.4 billion dollars, making it the highest among the five countries surveyed this time by a significant margin. Additionally, there is a notable characteristic where the proportion of leisure purposes exceeds that of business purposes, accounting for over 90% in both visitor numbers and spending. Since the onset of the pandemic in 2020, the number of international visitors decreased significantly from 6.7 million in 2020 to 430,000 in 2021, and the spending by international visitors also saw a substantial decrease from 15.3 billion dollars in 2020 to 1 billion dollars in 2021.

It is expected that the number of international visitors will continue to growth after 2022, surpassing the 2019 visitor numbers by 2025 and reaching approximately 51 million by 2027. The number of employees in the tourism industry showed an increasing trend from around 7 million in 2014 to about 8.3 million in 2019. However, in 2019, it decreased to approximately 8.2 million, falling below the previous year's level. Nevertheless, it still accounts for 21.8% of the total workforce. Due to the impact of the novel coronavirus, the number of employees in the tourism industry decreased to approximately 6.7 million in 2020 (17.8% of the total workforce) and approximately 6.9 million in 2021 (18.1% of the total workforce). The contribution of the tourism industry to the GDP has been on an increasing trend from 2011 to 2019, with an average annual growth rate of 3.7%. Since 2017, it has accounted for 20% of the GDP, indicating the high level of contribution of the tourism industry to Thailand's economy. Since 2020, due to the spread of the novel coronavirus, the proportion has decreased significantly, with it reaching 5.8% in 2021, a quarter of what it was previously.

②Government Organization Structure in the Tourism Sector

The tourism-related government agencies of the Thai government are composed of multiple organizations responsible for promoting and regulating tourism domestically and internationally.

Figure: organizational chart of government agencies in the tourism industry of the Kingdom of Thailand.

Source：KLAYSIKAEW KRAIRERK [Research on Tourism Promotion in Thailand - Evaluation of Tourism Policies and Analysis of Traveler Behavior and Evaluation (2015 Years)、From MOTs] Website JTTRI-AIRO created

The Ministry of Tourism and Sports (MOTS) of ThaiLand government has a vision to serve as a driving force for the sustainable development of the economy and society through tourism, sports, and recreation. It undertakes the following five missions: ①Setting policies and strategic plans for development at all levels in accordance with government development、②Encouraging and supporting the promotion, development, and implementation of tourism, sports, and recreation policies. ③Effective integration and management, encourageing participation from all sectors in the development of the country's tourism, sports, and recreation. And to establish guidelines for resource allocation to support all sectors for ensuring efficient.④To develop infrastructure and to support elements related to tourism, sports, and recreation so that Thailand tourism ensures international quality and standards.⑤The management systems in the fields of tourism, sports, and recreation, information systems, training of human resources and securing highly competent personnel.

Department of Tourism of Thailand (DOT) within the Ministry of Tourism and Sports (MOTS) oversees the licensing and regulation of tourism-related businesses such as travel agencies, tour operators, hotels, etc. The mission of DOT is as follows.①Promote, conserve, restore, and develop the quality of tourist attractions and sustainable environments.②Improve the standards of tourism products, services, and personnel.③Develop and regulate tour businesses, tour guides, and tour leaders in accordance with the law. ④Fulfill the needs of tourists and ensure safety in tourism,⑤Promote the participation of all stakeholders and support tourism activities to achieve sustainable tourism.⑥Promoting and supporting foreign film production in Thailand、⑦ Promote and support the production of foreign films in Thailand. ⑧ Develop information and communication technology systems to disseminate data and knowledge regarding tourism statistics necessary for planning and management.

Tourism Authority of Thailand (Tourism Authority of Thailand (TAT) an independent agency under the Ministry of Tourism and Sports (MOTS), primarily oversees tourism marketing. TAT has established overseas offices in 19 countries including Sweden, Russia, Germany, Czech Republic, United Kingdom, France, Italy, UAE (Dubai), India, Vietnam, Malaysia, Singapore, Indonesia, Australia, Hong Kong, Taiwan, South Korea, China (Beijing, Chengdu, Guangzhou, Kunming, Shanghai), Japan, Canada, and the United States (New York, Los Angeles), implementing overseas promotion strategies to promote tourism in Thailand. Additionally, TAT participates in overseas trade shows and exhibitions such as the Arabian Travel Market (ATM), Tourism Expo Japan (TEJ), and the ITB in Berlin to enhance brand awareness.

According to Tourism Authority of Thailand Act B.E. 2522 (1979), Section 8、The objectives of establishing TAT are as follows ①Promote tourism and the tourism industry, as well as to encourage Thai nationals to work in the tourism industry.②Promote Thailand's reputation as a country blessed with natural beauty, ancient ruins, valuable artifacts, history, arts and culture, sports, and technological heritage. Encourage a diverse range of activities that contribute to tourism promotion.③Provide tourists with convenience and maximum safety.④Enhance understanding and foster friendly relations between people and countries through tourism.⑤Lead tourism development alongside the establishment of infrastructure and facilities for tourists.

Additionally, the Thailand Convention and Exhibition Bureau (TCEB), a quasi-governmental organization under the Office of the Prime Minister, is responsible for promoting and facilitating the development of the MICE (Meetings, Incentives, Conferences, and Exhibitions) business.

Since 1960, various tourism policies have been implemented to promote national economic growth through tourism. As a result, Thailand has evolved into one of the world's most popular tourist destinations.

〇Timeline of Major Tourism Policies in Thailand

Timeline of major tourism policies in Thailand	
1960s	• **In 1960, The Tourist Organization of Thailand (TOT) was established** • **In 1965, TOT's first overseas office was established in New York, USA.** • **In 1968, TOT first regional office established in Chiang Mai**
1970s	• **The Fourth National Economic and Social Development Plan (1977-1981)** • **In May 1979, TOT renamed Tourism Authority of Thailand (TAT)**
1980s	• **The Fifth National Economic and Social Development Plan(1982-1986)** • **The Sixth National Economic and Social Development Plan (1987-1991)** • **Visit Thailand Year(1980)** • **Visit Thailand Year(1987)**
1990s	• **The Seventh National Economic and Social Development Plan (1992-1996)** • **The Eighth National Economic and Social Development Plan (1997-2001)** • **Amazing Thailand(1998-1999)**

2000s

- In 2002, Ministry of Tourism and Sports was newly established, and Department of Tourism Development was created as an internal department.
  TAT became under the jurisdiction of the Ministry of Tourism and Sports.
- The Ninth National Economic and Social Development Plan（2002-2006）
- In 2006, Suvarnabhumi Airport opened.
- The Tenth National Economic and Social Development Plan（2007-2011）
- In 2010, Department of Tourism Development renamed Department of Tourism（DOT）
- Unseen Thailand（2003）
- A Usual Day Which is Unusual（2005）
- There is Nowhere Ever Happy Like Home（2005）
- Thailand Grand Invitation（2006）
- Bustling Thai Tourism, Burgeoning Thai Economy（2009）

2010s

- The Eleventh National Economic and Social Development Plan（2012-2016）
- The First National Tourism Development Plan（2012-2016）
- 20-Year National Strategy (2017-2037→2018-2037)
- The Twelfth National Economic and Social Development Plan（2017-2021）
- The Second National Tourism Development Plan（2017-2021）
- Discover Thainess（2015）
- 12 Hidden Gems...Not to be Missed（2015）
- Open to the New Shades（2017）
- Amazing and Cool Thailand（2018-2020）
- Amazing Thailand Go Local（2018）

2020s

- Phuket Sandbox (2021)
- We Travel Together (2021~)
- Amazing Thailand Safety and Health Administration（SHA）project（2021）
- Visit Thailand Year 2022-2023：Amazing New Chapters
- The Third National Tourism Development Plan（2023-2027）

Source：KLAYSIKAEW KRAIRERK「Research on Tourism Promotion in Thailand - Evaluation of Tourism Policies and Analysis of Traveler Behavior and Evaluation」(2015Year)、TAT Website

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③ Government's Statutory Plans Regarding Tourism

The First National Tourism Development Plan

(National Tourism Development Plan 2012-2016As a national master plan for tourism development, it was announced in 2011. This plan was positioned under the National Economic and Social Development Plan.

Figure: Systematic Chart Of Tourism Development Plan in Thailand

Source：UNWTO、CLAIR「Tourism Policies in ASEAN」

Created by JTTRI-AIRO

The overview of the National Tourism Development Plan 2012-2016.

Vision	• Thailand will become a quality tourism destination with international-level tourism competitiveness, enabling the country to generate more income and sustainably distribute wealth.
Goals	• Increase Thailand's tourism competitiveness by at least 15 ranks to be among the top five in Asia • To increase tourism revenues by at least 5% within five years
Strategy	• Tourism infrastructure and facilities development • Restoration and sustainable development of tourism destinations • Development of tourism products and services • Tourist confidence and tourism promotion • Increased participation of government departments, civil society and local administration in tourism management

Source：UNWTO、CLAIR「Tourism Policies in ASEAN」

Created by JTTRI-AIRO

The first National Tourism Development Plan focused on providing high-quality tourism products and services while maintaining a balance between demand and supply. As a result, it successfully developed the tourism market, leading to a growth of over 15% in tourism revenue and surpassing the goals for enhancing tourism competitiveness.

The Second National Tourism Development Plan (2017-2021), approved by the Cabinet of Thailand in October 2016, was formulated to sustain the growth of Thailand's tourism sector by further incorporating perspectives on sustainable development.

On January 3, 2023, the Cabinet of Thailand approved the Third National Tourism Development Plan (2023-2027), aiming to position Thailand as one of the world's top wellness travel destinations. The Third National Tourism Development Plan sets a vision to rebuild a high-value tourism industry with resilience, sustainability, and inclusive growth.

(2) Results of Expert Interviews and Challenges in the Tourism Sector

Thailand's tourism industry has relied heavily on foreign tourists in the past, but future growth is expected to come from both domestic tourism and inbound tourism. Therefore, it is urgent to improve infrastructure and strengthen tourism supply to accommodate this growth.

Additionally, Thailand is expected to become the largest international tourist destination among ASEAN countries. After 2022, it is anticipated that the proportion of Chinese tourists will increase again, with Chinese visitors expected to account for over half of the total visitors by 2025. Challenges in the inbound market include a high dependency on Chinese tourists and uncertainties stemming from the Russian invasion of Ukraine.

On the other hand, the number of domestic travelers has been increasing up to 2019, reaching approximately 130 million people that year. It is expected to surpass the 2019 level in 2024, with an estimated reach of around 140 million people by 2027.

(3) Approaches to Addressing the Challenges

The challenge facing Thailand's tourism industry lies not in stimulating demand from tourists, but rather in supply-side issues. Particularly since the pandemic, many tourism professionals have left their jobs, resulting in a significant shortage of qualified and experienced workers. Other factors contributing to the slow recovery on the supply side include liquidity among business owners, namely financial issues. Financial support for small and medium-sized enterprises (SMEs) and reform within the banking industry, which often focuses only on large corporations, are necessary. At the same time, the government is called upon to implement the following measures.

① Revitalization of domestic travel

In order to revitalize domestic travel, it is necessary to develop travel products and tourism services tailored to domestic tourists. To achieve this, it is required that the government enhance financial support for small and medium-sized enterprises engaged in the tourism industry.

②Exploring New Markets

increase visitors from emerging markets such as ASEAN countries and India, it is necessary to implement targeted promotions in these markets. Exploring new markets is essential for diversifying tourists and achieving this goal.

③Attracting remote workers and similar experts

Implement measures to attract digital nomads and remote workers. The Thai government needs to provide visa and tax incentives tailored to their needs.

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